GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:5654
ANSWERED ON:25.04.2001
IRREGULARITIES IN KENDRIYA BHANDAR
SHEESH RAM SINGH RAVI

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether the internal audit of the Kendriya Bhandar during the lastfew years have alleged irregularities in its functioning, undue favour to suppliers, ill-will against suppliers, purchase of computers, modi xeros like items at higher prices, supply of poor quality of stationery to Government Deptts. and sale of stationery and other items at exorbitant prices;

(b) if so, the details thereof;

(c) whether the Government have appointed any inquiry committee to look into the irregularities;

(d) if not, the time by which the inquiry committee is likely to be set up;

(e) the number of letters received by the Government in this regard from the Members of Parliament during the last one year and the action taken thereon;

(f) the number out of them are still pending and the time by which these listers are likely to be replied; and

(g) the steps taken by the Government to improve the working of the stationery deptt. of the Bhandar?

Answer

MINISTER OF STATE OF DEPARTMENT OF PERSONNEL AND TRAINING AND DEPARTMENT OF PENSIONS AND PENSIONERS WELFARE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SMT. VASUNDHARAJE)

(a),(b),(c),(d),(e),(f)&(g): A statement is enclosed.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (g) OF LOK SABHA UNSTARRED QUESTION NO. 5654 PUT BY SHEESH RAM SINGH RAVI, FOR ANSWER ON 25TH APRIL, 2001.

(a)&(b):Kendriya Bhandar does not have an internal audit cell of its own. Internal Audit is carried out periodically through an outside agency namely a Chartered Accountant Firm on contract basis. All objections/observations raised by the Internal Audit Firm relate to individual transactions as well as system failure. These are discussed with the Audit and a majority of the objections are settled through discussions. The remaining objections are taken note of and top most priority is given by the Management to take remedial measures before the next audit.

(c)&(d):Do not arise in view of reply to (a)&(b) above.

(e): No letter has been received by the Government from MPs specificallyalleging irregularities pointed out by the internal audit of Kendriya Bhandar during the last one year.

(f): Does not arise in view of reply to part (e).

(g): With a view to continuously improving Kendriya Bhandar`s performance and ensuring transparency and accountability, following steps have been taken in respect of all areas including stationery stores.

i) The Board of Directors of Kendriya Bhandar has formulated a Purchase Policy to bring transparency in the procurement of goods.

ii) Computer software programme has been installed in Head Office to monitor the sales summary of every store every day to ensure that they are selling the goods according to the codes.

iii) Kendriya Bhandar has initiated a process for obtaining indemnity from the suppliers regarding price guarantee to ensure that the customers get the best price.

iv) Prepaid suggestion Post cards have been kept in all the stores to get prompt feed back from the customers. Action is taken on complaints/suggestions received from the customers. In case of serious complaints, suppliers have been suspended or deregistered depending upon the gravity of the offence.

v) Wherever possible, limited tenders are invited from the registered suppliers to generate competition among them.

Last year nearly 125 employees were transferred to
vi) prevent them from developing vested interest. Some of them had not been transferred for many years.